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In the District Court of the United States for the District of New Jersey.

UNITED STATES OF AMERICA, PETITIONER,

v.

UNITED SHOE MACHINERY COMPANY, OF NEW JERSEY, and others, defendants.

To the Honorable the Judges of the District Court of the United States for the District of New Jersey, sitting in equity:

The United States of America, by John B. Vreeland, its attorney for the district of New Jersey, acting under the direction of the Attorney General of the United States, brings this proceeding in equity against United Shoe Machinery Company, a corporation organized under the laws of the State of New Jersey, with its principal offices at Boston, Massachusetts; The Keighley Company, Inc., a corporation organized under the laws of the State of New Jersey, with its principal offices at Vineland, New Jersey; Sidney Wilmot Winslow, president and a director of United Shoe Machinery Company, of New Jersey, and a citizen and resident of the State of Massachusetts and of Orleans, in said State; Edward P. Hurd, a vice president, director, and assistant treasurer of United Shoe Machinery Company, of New

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Jersey, and a citizen and resident of the State of Massachusetts, and of Newton, in said State; Charles Percy Keighley, William Bottomley Keighley, and Charles Keighley, directors of The Keighley Company, Inc., and citizens and residents of the State of New Jersey, and of Vineland, in said State. The full names of those defendants whose names are given in part are not known to petitioner.

Your petitioner avers—

I.

JURISDICTION.

This proceeding is brought under the provisions of the act of Congress approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" and amendments thereto, to enjoin defendants and each of them from engaging in further violations of said acts of Congress by restraining interstate and foreign commerce in the manufacture, shipment, sale, and lease of inseam trimming machines, used in the manufacture of shoes, and in perpetuating and extending a monopoly of trade and commerce in the shoe machinery industry in said United Shoe Machinery Company, of New Jersey.

The last-named company, with its principal factory at Beverly, Mass., is engaged in the business of leasing shoe machinery to shoe manufacturers in the State of New Jersey and in divers other States of the United States and in foreign countries, and The Keighley Company, Inc., has been engaged in the manufacture of shoe machinery at its plant at Vineland,

New Jersey, and in the sale and lease of such machinery in various States of the United States and in foreign countries. The contract and agreement between said United Shoe Machinery Company, of New Jersey, and The Keighley Company, Inc., and the individuals representing that company, which is hereinafter described, and which it is sought to annul by these proceedings as being violative of said act of Congress of July 2, 1890, is being carried out in part in the district of New Jersey.

II.

BRIEF DESCRIPTION AND HISTORY OF THE SHOE MACHINERY INDUSTRY, AND CONNECTION OF UNITED SHOE MACHINERY COMPANY, OF NEW JERSEY, THEREWITH.

One of the important industries of the United States is that of the manufacture, sale, and lease of shoe machinery. For twenty-five years last past practically all of the shoes worn by the people of the United States have been manufactured by the aid and use of several different kinds of machines which have been and now are indispensable to the manufacture of shoes in quantities sufficient to meet the demands of the public.

Among the principal and essential machines used in the manufacture of shoes are—Pulling-over machines, lasting machines, welt-sewing machines and outsole-stitching machines, heeling machines, metallic-fastening machines, lacing machines, finishing machines, pegging machines, and inseam-trimming machines.

Prior to 1899, a large number of individuals, partnerships, and corporations were engaged in the United States in the manufacture of shoe machinery and in its shipment, sale, and lease among the several States of the United States and foreign countries, each concern striving to improve its machines already on the market and to design and install new ones.

Defendants Sidney W. Winslow, Edward P. Hurd, and certain other persons who were connected with some of the important concerns engaged in the manufacture, sale, and lease of shoe machinery of the different kinds, conceived the idea of consolidating all the principal manufacturing establishments, and, by certain unfair and, petitioner avers, unlawful business methods, acquiring a monopoly of the entire shoe-machinery business in the United States. In pursuance thereof, said parties, in February, 1899, obtained from the State of New Jersey a charter and organized thereunder United Shoe Machinery Company, a corporation having a capital stock of $25,000,000. This company thereupon took over the properties and businesses of all the principal concerns engaged in manufacturing, selling, and leasing shoe machinery, and the principal owners, managers, directors, and officers of the old concerns became directors, officers, and managers of the new company. Said United Company, through its officers and agents, acquired and still maintains a monopoly of the shoe machinery business in the United States by the following means:

By misrepresentation and threats it deprives its competitors of their customers. It has threatened

its competitors that it will use its enormous resources and powers to take away their customers. By threats it has prevented competing concerns from entering the business. It has given rebates to shoe manufacturers to induce them to use exclusively its machines. It has discontinued the sale to shoe manufacturers of all the most important machines and unlawfully devised and put into effect leases and licenses containing unreasonable and oppressive provisions, which agreements shoe manufacturers are compelled to execute in order to obtain machinery with which to equip their factories. Among other provisions, these leases and licenses require shoe manufacturers leasing any machine from said United Company to use exclusively the machines owned and controlled by it upon penalty of having all the machines so leased to them by said company immediately reclaimed and taken away and all of the lease and license agreements with said company cancelled; and the shoe manufacturers are required to take each of such machines for a period of not less than seventeen years regardless of the dates of the patents relating thereto. These provisions said United Company has continually, persistently, and arbitrarily enforced, and shoe manufacturers are thereby prevented from using not only shoe machinery manufactured by its competitors in the United States, but also from using any such machinery manufactured in foreign countries and imported here. By these methods said United Company has compelled practically all of its competitors who have been engaged in the shoe

machinery industry either to abandon trade and commerce therein or to sell to it their plants and business, and it has in general required the vendors to execute covenants in writing not to engage at any place within the United States, for long terms of years, in trade and commerce in shoe machinery in competition with it.

It has also acquired by purchase and otherwise many letters patent for valuable inventions and has held the same for long periods of time without making use thereof, thus depriving manufacturers and the public of benefits arising therefrom. It has required the assignors of such patents to agree that if they should thereafter invent or should patent, or cause to be patented, any machines adapted for use in the manufacture of shoes, or should acquire interests in, or rights to, any inventions, improvements, or letters patent which the assignors should make, own, or acquire during the period of time stipulated in the covenants relating to machinery, mechanism, tools, devices, processes, methods, or things intended or adapted for use in the manufacture of shoes, the assignors should assign or transfer all such inventions or interests therein to said United Shoe Machinery Company, of New Jersey, its successors or assigns.

By a vigorous enforcement of the methods described, defendant United Shoe Machinery Company, of New Jersey, has driven practically all competitors from the shoe machinery industry and at present controls more than 99 per cent of the trade and commerce in that industry in the United States.

III.

UNLAWFUL CONTRACT BETWEEN UNITED SHOE MACHINERY COMPANY, OF NEW JERSEY, AND THE KEIGHLEY COMPANY, INC., AND THE INDIVIDUALS REPRESENTING THAT COMPANY.

Among many other important machines manufactured and leased by United Shoe Machinery Company, of New Jersey, are those known to the trade as "Inseam Trimming Machines." In the process of the manufacture of a shoe, the upper is pulled over the last and tacked to the insole. The shoe later passes to the welt sewing machine, which attaches the upper and welt to the insole by means of a seam. That operation leaves a surplus of the upper and of the welt extending beyond the last. Formerly that surplus material was trimmed off, with a knife, by hand. The inseam trimming machine now performs the operation of severing the surplus stock from the shoe, which allows the outsole to be laid flatly upon the insole, the outsole then being attached to the upper, the welt and the insole by means of the outsole stitching machine. As stated, United Shoe Machinery Company, of New Jersey, has for years been manufacturing and leasing, and it still manufactures and leases, one or more varieties of machines which are used for said purpose, upon which the said United Company claims letters patent.

The Keighley Company, Inc., is also the owner of United States letters patent, and of letters patent of other countries, covering Inseam Trimming Machines. Although the machines manufactured by The Keighley

Company, Inc., are different in mechanical construction from the Inseam Trimming Machines manufactured and leased by United Shoe Machinery Company, of New Jersey, yet the work performed by the Keighley machines and the results obtained by their operation are the same. Under said patents, the Keighley Company began to manufacture machines and place them upon the market by sale and lease in direct competition with the like machines of defendant United Shoe Machinery Company. For the purpose of destroying this competition and extending its monopoly over the shoe machinery business in the United States, United Shoe Machinery Company, of New Jersey, brought to bear upon said Keighley Company its unfair tactics above described, and the advantages held by virtue of the power resulting from the combination of its several different kinds of machines. The effect of its unfair methods of competition were of such character that it became very difficult for the Keighley Company to successfully prosecute its business, so that said Keighley Company, and the individuals representing that company, on September 21, 1912, entered into a contract and agreement with defendant, United Shoe Machinery Company, of New Jersey, which restrained the trade and commerce of said Keighley Company, and which has resulted in perpetuating and extending a monopoly of the shoe machinery industry in United Shoe Machinery Company, of New Jersey. A true copy of said contract and agreement is filed as Exhibit "A" hereto, and

prayed to be made a part hereof, the same as if set out in full in this petition.

Petitioner avers that said contract and agreement is unlawful in this:

1. It was unlawful for The Keighley Company, Inc. and the individuals representing that company, under the circumstances and conditions herein described, to grant to said United Shoe Machinery Company, of New Jersey, and for said United Shoe Machinery Company, of New Jersey, to accept, the exclusive right or license to put out on lease inseam trimming machines which the said Keighley Company, and the individuals representing that company, then owned or controlled, or which they should thereafter make, own, acquire, or have any right by agreement or otherwise to acquire or take over.

2. It was unlawful for United Shoe Machinery Company, of New Jersey, to require The Keighley Company, Inc., and the individuals representing that company, to agree with said United Shoe Machinery Company, of New Jersey, that they would not directly or indirectly, individually or in combination with others, enter into or be engaged or interested in, or financially or otherwise encourage or assist, any other person, firm, or corporation in entering into, developing, or carrying on any business of manufacturing or dealing in inseam trimming machines, except in accordance with the terms of said contract and agreement.

3. It was unlawful for United Shoe Machinery Company, of New Jersey, to require of The Keighley

Company, Inc., and the individuals representing that company, and for said Keighley Company and the individuals representing that company to agree to, a covenant that they would not sell, or offer or expose for sale, or permit to be sold, offered or exposed for sale, any rapid inseam trimming machines of the type then manufactured by them, or of a type which hereafter may be put out on lease by United Shoe Machinery Company, of New Jersey, in accordance with the right and license granted by said contract and agreement, at a price less than $650.

4. It was unlawful for United Shoe Machinery Company, of New Jersey, to require of The Keighley Company, Inc., and the individuals representing that company, a covenant that they would pay to United Shoe Machinery Company, of New Jersey, the sum of $200 on account of each rapid inseam trimming machine which should be sold by The Keighley Company, Inc., and the individuals representing that company, of the type then put out by The Keighley Company, Inc., or of the type which should thereafter be put out on lease by United Shoe Machinery Company, of New Jersey, in accordance with the right and license therein granted.

5. Therefore each and every part of said contract and agreement was and is unlawful, because its effect is to restrain the interstate and foreign trade and commerce of The Keighley Company, Inc., and the individuals representing that company, and to perpetuate and extend a monopoly of the shoe machinery industry in United Shoe Machinery Company, of New Jersey.

IV.

FORMER PROCEEDINGS AGAINST UNITED SHOE MACHINERY COMPANY, OF NEW JERSEY, AND OTHERS.

On December 12, 1911, the United States filed a petition in equity against the defendant, United Shoe Machinery Company, of New Jersey, and others, in the United States Circuit Court for the District of Massachusetts, at Boston, now pending in the District Court, the object of which was to have the court adjudicate that said United Shoe Machinery Company, of New Jersey, is an unlawful combination and possesses an unlawful monopoly of the shoe machinery industry for the reasons mentioned therein, some of which have been heretofore generally stated. Said action is pending and it is not the purpose of having settled here any question which is involved in that litigation, except in so far as the determination of a question there involved may be necessary or proper for a determination of the question here involved. It is the sole object of this proceeding to have determined whether or not the contract and agreement between the defendants United Shoe Machinery Company, of New Jersey, and The Keighley Company, Inc., and the individuals representing that company, is a valid one, or is in conflict with the said Act of July 2, 1890, and if illegal, as your petitioner avers, to have said contract and agreement declared void, and to enjoin all parties connected therewith from carrying out the same.

V.

PRAYER.

Inasmuch as adequate remedy in the premises only can be obtained in equity, your petitioner prays your Honors—

1. To order, adjudge, and decree that the contract and agreement—Exhibit A—under the circumstances and conditions hereinbefore described, is a contract and agreement in violation of the act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," and that the defendants, and each of them, and their officers, directors, stockholders, agents, and servants, and each of them, be perpetually enjoined and restrained from doing any act in pursuance of or for the purpose of carrying out the same; and that defendants and each of them be enjoined from carrying out the purposes of the above-described contract and agreement by the means therein described, or by any other, and be required to desist and withdraw from all connection with the same.

2. That petitioner have such other, further, and general relief as may be proper.

3. To the end, therefore, that the United States of America may obtain the relief to which it is justly entitled in the premises, may it please your honors to grant unto it writs of subpœna directed to the said defendants, United Shoe Machinery Company, of New Jersey, The Keighley Company, Inc., Sidney Wilmot Winslow, Edward P. Hurd, Charles Percy Keighley, William Bottomley Keighley, and Charles Keighley, and each and every one of them, commanding them,

and each of them, to appear herein and answer, but not under oath (answer under oath being hereby expressly waived), the allegations contained in the foregoing petition and abide by and perform such orders and decree as the court may make in the premises, and, pending a final hearing of this case, cause a temporary restraining order to issue enjoining the defendants, and each of them, and each of their officers, agents, and servants, as hereinbefore prayed.

JOHN B. VREELAND,
United States Attorney
for the District of New Jersey.

GEORGE W. WICKERSHAM,
Attorney General.

JAMES A. FOWLER,
Assistant to the Attorney General.

WILLIAM S. GREGG,
Special Assistant to the Attorney General.

Personally appeared before me, ——— ———
William S. Gregg, Special Assistant to the Attorney General, who makes oath that the foregoing petition was prepared by him, by direction of the Attorney General, and that he verily believes the allegations contained therein are true.

Sworn to and subscribed before me, this —— day of January, 1913.

EXHIBIT A.

Memorandum of agreement made this the twenty-first day of September, A. D. 1912, by and between the Keighley Company (Inc.), a corporation duly organized and existing under the laws of the State of New Jersey, one of the United States of America (hereinafter called the "Keighley Company"), and William Bottomley Keighley, Charles Percy Keighley, and Charles Keighley, all of Vineland, in the State of New Jersey, the said Keighleys being the officers and owners of all the capital stock of the "Keighley Company," parties of the first part, and the United Shoe Machinery Company, a corporation duly organized and existing under the laws of said State of New Jersey (hereinafter called the "United Company"), party of the second part.

1. The parties of the first part hereby grant unto the United Company the exclusive right or license, during the continuance of this agreement, as provided in paragraph 11, to put out on lease (but not to sell, the right to sell, subject to the conditions hereinafter contained being expressly reserved to the parties of the first part), machines embodying inventions and improvements relating to or intended or adapted for use in or in connection with inseam trimming machines which the parties of the first part, or any of them, now own or control, or which the said parties of the first part, or any of them, may hereafter make, own, acquire, or have any right, by agreement or otherwise, to acquire or take over. And the United Company hereby grants to the parties of

the first part the right to manufacture and sell in the United States of America (but not to lease) rapid inseam-trimming machines of the type now put out by the Keighley Company in so far as there are embodied in said machines inventions and improvements covered by letters patent of the United States of America No. 961,200 granted June 14, 1910, to Orrell Ashton, assignor to United Shoe Machinery Company, for vamp-trimming machine, and No. 968,555 granted August 30, 1910, to John B. Hadaway, assignor to United Shoe Machinery Company, for vamp-trimming machine.

2. The parties of the first part, and each of them, hereby covenant and agree to and with the United Company to fully and completely disclose to the United Company forthwith, and to such of its officers and patent solicitors as may be designated by the United Company therefor, all inventions and improvements, letters patent and applications for letters patent, interests, and rights which are included within the terms of this agreement, and at any and all times hereafter, upon making, acquiring, owning or obtaining any right, by agreement or otherwise, to acquire or take over any invention, improvement, letters patent, application for letters patent, interest, or right covered by this agreement, to promptly disclose the same to the United Company, its officers and patent solicitors, and to repeat such disclosures when and as often as the same may be requested, and at any and all times, upon request, to execute or cause to be executed any and all licenses, powers of attorney, and other instruments, and to do or cause to be done any and all acts necessary or desired by the United Company to fully and completely vest and confirm in the United Company

the right and license hereby granted and to enable the United Company to enjoy the full benefits and advantages thereof.

3. The parties of the first part hereby agree, jointly and severally, with the United Company that they will not, and that neither of them shall, during the period of this agreement, directly or indirectly, individually or in combination with others, enter into or be engaged or interested in, or financially or otherwise encourage or assist any other person, firm, or corporation in entering into, developing, or carrying on any business of manufacturing or dealing in inseam trimming machines except in accordance with the terms of this agreement.

4. The United Company agrees that no machine shall be put out by it or by its authority, in accordance with the right or license hereby granted, upon a lease which does not require the payment of a lease premium or installation fee, and that such lease premium or installation fee shall in no case exceed the sum of one hundred dollars ($100) or be less than fifty dollars ($50) United States currency, or its equivalent in the currency of the country where such machine is put out; and that in all such leases a minimum rent or royalty shall be provided for which shall not exceed one hundred dollars ($100) or be less than fifty dollars ($50) per annum in United States currency, or its equivalent in the currency of the country where such machine is put out. And the parties of the first part agree that they will not sell, or offer or expose for sale, or permit to be sold, offered, or exposed for sale any rapid inseam-trimming machines of the type now manufactured by them, or of a type which may be hereafter put out on lease by the United Company in accordance

with the right and license hereby granted, for a price less than six hundred and fifty dollars ($650) United States currency, or its equivalent in the currency of the country where such machine is sold, offered, or exposed for sale.

5. The United Company shall, semiannually, on the thirtieth day of November and the thirty-first day of May in each year, render to the parties of the first part, or to any one of them as agent for the others, an account showing the number of machines, if any, put out by or by the authority of the United Company in accordance with the right and license hereby granted during the period of six months ending with the last day of the preceding October or April, and showing, also, the total amount received by the United Company by way of installation fee or lease premium and by way of rental or royalty for each such machine, and at the same time shall pay to the parties of the first part, or to any one of them as agent for the others, in respect to each such machine, an amount equal to forty per cent (40 per cent) of the amount so received for said machine; but the United Company shall not be required, under the provisions of this paragraph, to pay, in respect to any one machine, more than two hundred and fifty dollars ($250); and when said amount has been paid in respect to any machine or machines, all obligations of the United Company under this paragraph in respect to such machine or machines shall immediately cease and determine.

6. The parties of the first part shall semiannually, on the thirtieth day of November and the thirty-first day of May in each year, render to the United Company an account showing the number of rapid inseam trimming machines, of the type now put out by the

Keighley Company, or of the type which may hereafter be put out on lease by the United Company in accordance with the right and license hereby granted, sold by the parties of the first part, or by any of them, during the period of six months ending with the last day of the preceding October or April, and at the same time shall pay to the United Company, in respect to each machine so sold, the sum of two hundred dollars ($200).

7. The United Company shall have the exclusive right to manufacture machines, to be put out upon lease in accordance with the right and license hereby granted, and the parties of the first part shall supply to the United Company, upon request and without expense other than the actual cost of making duplicates where duplicates are necessary, all blue prints, drawings, patterns, and designs necessary or useful in such manufacture and in the possession or control of the parties of the first part, and the United Company will, upon request, manufacture for the parties of the first part machines which the parties of the first part may desire for sale, under the terms of this agreement, at a reasonable price to cover the cost of such manufacture. But the United Company agrees that before putting out in the United States of America such machines of its own manufacture, it will purchase from the Keighley Company, for the purpose of leasing the same, thirty-four machines, which have already been manufactured by the Keighley Company or are in the process of manufacture for delivery under the terms of an agreement entered into by the Keighley Company with one Thomas G. Plant, dated January 26, 1910, the purchase price of each of said machines to be one hundred dollars ($100) net cash f. o. b. Vineland, N. J., plus cost of shipping

cases. And the Keighley Company agrees to manufacture such other machines as may be desired by the United Company to put out on lease, in accordance with the right and license hereby granted, at a reasonable price to cover the manufacturing cost thereof but not to exceed for the first seventy-five machines ordered (not including the thirty-four machines already mentioned) one hundred dollars ($100) net cash, f. o. b. Vineland, per machine, to which is to be added the actual cost of making cases for shipment. But the Keighley Company shall not be required under the provisions of this paragraph to furnish machines in excess of the capacity of its present plant, which is understood to be not more than five machines per week.

8. The Keighley Company agrees that it will not enforce, or attempt to enforce, said agreement with said Thomas G. Plant, and that as soon as the thirty-four machines mentioned in the preceding paragraph have been taken by the United Company it will execute or cause to be executed such a release or assignment to the United Company thereof as the United Company may desire.

9. The United Company agrees to withdraw forthwith three (3) suits for the infringement of its letters patent brought by it against the George H. Snow Company of Brockton, Mass., on account of the use by the said company of inseam trimming machines heretofore put out by the Keighley Company, and proper entries are to be made in the record of the District Court of the United States for the District of Massachusetts where said suits are pending to effectually dispose of the same, without costs to either party.

10. The United Company agrees that it will faithfully endeavor to promote the business of leasing inseam trimming machines embodying the inventions and improvements of the parties of the first part, but shall refer to the Keighley Company all requests for the purchase of such machines from persons who do not desire or are not willing to lease the same.

11. This agreement shall apply, territorially, to all countries of the world where the inventions and improvements of the parties of the first part, described in the first paragraph hereof, or any of them, are protected by letters patent except in so far as said inventions and improvements are covered by an agreement, dated October 13, 1911, between the Keighley Company and Gimson & Company, of Leicester, England, and by an agency contract between the Keighley Company and D. Heinsohn, of Oberursel by Frankfort a. Main, Germany, while said agreements remain in force and binding on the Keighley Company, the last named contract to be terminated immediately by the Keighley Company in accordance with the right of termination therein reserved, and shall continue in each of such countries during the continuance in force and apparent validity of letters patent of that country covering said inventions and improvements of the parties of the first part, or any of them. The United Company expressly reserves the right to proceed against Gimson & Company and against users of inseam trimming machines put out by Gimson & Company for infringement of letters patent owned by the United Company or any of its allied or subsidiary companies.

12. The Keighley Company hereby assigns, transfers, and sets over unto the United Company all contracts of lease other than its "forty-nine year" lease

contracts, so called, covering inseam trimming machines heretofore put out by the Keighley Company, the machines covered by said contracts and all benefits and advantages to be derived therefrom, and the United Company agrees to assume and perform all the obligations of the Keighley Company under said leases and to pay to the Keighley Company in respect to each such machine a sum equal to forty per cent (40 per cent) of the total amount of the rental or royalty received by the United Company for the use thereof until the total amount so paid in respect to such machine is equal to one hundred and fifty dollars ($150) United States currency, at which time all further payments in respect to such machine shall cease. Accounts shall be rendered and payments made under the provisions of this paragraph at the times and for the periods provided in paragraph 5 in respect to accounts and payments covering machines put out on lease by the United Company.

13. The Keighley Company hereby sells and delivers to the United Company four inseam trimming machines now in the possession of the above-mentioned D. Heinsohn, and also two machines in the possession of Gimson & Company at their agency in Paris, France, if said machines are not covered by the provisions of the preceding paragraph or have not been otherwise finally disposed of for the account of the Keighley Company, and the United Company agrees to pay to the Keighley Company for each of such machines the sum of one hundred dollars ($100) in United States currency, plus the freight and duty which has heretofore been paid in respect to the same by the Keighley Company, but such payment is not to be made in re-

spect to any of said machines until the same has been put out on lease by the United Company in accordance with the right and license hereby granted. The Keighley Company agrees to supply gratis all necessary parts and attachments to complete said machines or alter them to the type of machine now being put out by the Keighley Company.

14. The Keighley Company shall continue to enjoy the benefits of all agreements for the sale or lease, under its "forty-nine year" lease contract, so called, of rapid inseam trimming machines heretofore entered into by said company and shall have the exclusive privilege of furnishing duplicate parts, extras, mechanisms, devices, and supplies for use in or in connection therewith. The parties of the first part shall also have the exclusive privilege of furnishing duplicate parts, extras, mechanisms, devices, and supplies for use in or in connection with machines sold by the Keighley Company in accordance with this agreement, but they shall not, nor shall any of them, knowingly furnish duplicate parts, extras, mechanisms, devices, or supplies for use in or in connection with machines leased by the United Company in accordance with the right and license herey granted. The United Company, however, agrees, upon the request of the parties of the first part, or any one of them, to supply to old customers of the Keighley Company and to vendees of the parties of the first part, duplicate parts, extras, mechanisms, devices, and supplies at the same prices charged to lessees of the United Company.

15. The payment of two hundred dollars ($200) required to be made by the parties of the first part under the provisions of article 6 of this agreement in respect to machines sold by the parties of the first

part, or any of them, shall not be required to be made in respect to inseam trimming machines of the type now put out by the Keighley Company, or of said type as the same may hereafter be altered or improved by reason of inventions of the said Keighleys, or any of them, while such machines are used solely in the manufacture of footwear made by or for the said Keighleys, or a corporation controlled by them, at their factory at Vineland, N. J.

16. The expression "United Company" wherever herein used shall include the United Shoe Machinery Company and its allied or subsidiary companies and its and their respective successors, nominees, and assigns, and all agreements binding upon the parties of the first part shall be binding upon and enforceable against their respective representatives and assigns.

Executed in duplicate the day and year first above written.

THE KEIGHLEY COMPANY INC.,
By C. P. KEIGHLEY, *Secretary.*
W. B. KEIGHLEY.
CHAS. KEIGHLEY.
C. PERCY KEIGHLEY.

UNITED SHOE MACHINERY COMPANY,
EDWD. P. HURD, *Assistant Treasurer.*

[SEAL.]

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